



## Filing Receipt

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August 31, 2021

Chairman Peter Lake  
Commissioner Will McAdams  
Commissioner Lori Cobos  
Commissioner Jimmy Glotfelty  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78701

Re: PUC Project No. 52373, *Review of Wholesale Electric Market Design*, August 26, 2021  
Work Session

Dear Chairman and Commissioners:

In response to the Commissioners' questions at the August 26, 2021, work session, the Lower Colorado River Authority (LCRA) is providing the attached materials with additional information on voltage support tariffs in other ISO/RTOs.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Emily R. Jolly", is written over a light blue horizontal line.

Emily R. Jolly  
Associate General Counsel

c: Mr. Thomas Gleeson  
Ms. Connie Corona  
Ms. Rebecca Zerwas

As requested by the Commissioners at the August 26, 2021 work session, a high-level summary of voltage support cost recovery by different ISOs is provided below.

### PJM

PJM's tariff enables "generation facilities and non-generation resources" to receive cost-based revenues for reactive power. Generating resources seeking reactive power service compensation in PJM must submit rate filings for FERC. *See* PJM Open Access Transmission Tariff, Schedule 2 - Reactive Supply and Voltage Control from Generation, *available at* <https://www.pjm.com/directory/etariff/MasterTariffs/23TariffSections/4401.pdf>

### MISO

MISO offers cost-based compensation. Generating resources seeking reactive power service compensation must submit rate filings for FERC. *See* MISO Tariff – As Filed Version: Schedule 2 - Reactive Supply And Voltage Control From Generation or Other Sources Service, *available at* <https://www.misoenergy.org/legal/tariff/>

### SPP

SPP's tariff allows "Qualified Generators" to receive compensation. The latest rate of compensation for reactive power in SPP is \$2.26 per qualifying MVar per hour. *See* Southwest Power Pool Open Access Transmission Tariff, Sixth Revised Volume No. 1, Schedule 2 Reactive Supply and Voltage Control, From Generation or Other Sources Service, *available at* <https://spp.etariff.biz:8443/viewer/viewer.aspx>

### NYISO

NYISO awards fixed monthly payments to qualifying generators based on an RTO-wide stated rate. NYISO Tariff, *available at* <https://nyisoviewer.etariff.biz/viewerdoclibrary/mastertariffs/9TariffSections/177.htm>

### CAISO

CAISO pays for a short-term market user rate as well as a monthly long term rate and uses a calculation to determine rate based on total. CAISO Tariff *available at* [https://www.caiso.com/Documents/AttachmentI-03\\_Sections2\\_5-2\\_6\\_.pdf](https://www.caiso.com/Documents/AttachmentI-03_Sections2_5-2_6_.pdf)

In addition, most European countries allow costs to be recovered under a single transmission tariff or, in case multiple charges apply, by the primary transmission tariff. *See* Agency for the Cooperation of Energy Regulators, ACER Practice Report on Transmission Tariff Methodologies in Europe (published Dec. 23, 2019), *available at* [https://extranet.acer.europa.eu/Official\\_documents/Acts\\_of\\_the\\_Agency/Publication/ACER%20Practice%20report%20on%20transmission%20tariff%20methodologies%20in%20Europe.pdf](https://extranet.acer.europa.eu/Official_documents/Acts_of_the_Agency/Publication/ACER%20Practice%20report%20on%20transmission%20tariff%20methodologies%20in%20Europe.pdf)